Special Assistance to Foreign Investors

3085. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are contemplating special assistance in select sectors to attract foreign investors;

(b) if so, the details thereof; and

(c) the details of reciprocation to India's offer from various foreign investors?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) and (b) While there are no special assistance schemes meant exclusively for foreign investors, special sector/area specific incentives such as tax holiday, capital subsidy, excise exemption, etc., are applicable to all Indian companies including foreign owned.

(c) FDI inflows are dependent upon various factors, such as domestic economic conditions, policy regime governing foreign investment, world economic trends and strategies of global investors. The inflow to approval ratio in respect of FDI has shown consistent improvement from 1992 onward, increasing from 17.37% in 1992 to 56.83% in 2001 (up to June). The sectors accounting for major inflows (excluding GDR/ADRs, acquistion of existing shares and advances pending issue of shares) include:

— Transportation Industry (7.00%)

— Electrical Equipment (including computer software) (6.85%)

— Telecommunications (5.54%)

— Service Sector (financial & non-financial) (4.72%)

— Fuels (power & oil refinery) (4.35%)

Export to South Asian countries

3086. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COMMERCE AND INDUSTRY be pleased to refer to answer to Unstarred Question 1702 given in the Rajya Sabha on the 7th August, 2001 and state the figures of exports of South Asian